REMARKS

The present communication responds to the Office Action of May 2, 2008, in which the Examiner rejected claims 1-33 under 35 U.S.C. § 112 and objected to claims 1-3, 6-10 and 26-28. Reconsideration and allowance are respectfully requested at least for the reasons discussed below.

The present application discloses a system for identifying risk of identity theft. The system analyzes publicly available demographic data associated with a first street address when presented as an address change on an existing account and compares it with publicly available demographic data associated with a second street address. Using known probability techniques, data regarding the first address and the second address are compared and a likelihood of risk is developed.

Claim Objection

Claims 1-3, 6-10 and 26-28 were objected to for informalities, specifically, for failing to complete the objective set forth in the preamble. The Applicants respectfully submit that the objections have been overcome.

Claims 1 and 6 have been amended to recite "calculating a score indicative of a level of risk of identity theft fraud." The Applicants respectfully submit that the objection with respect to those claims is thus overcome.

Claim 26 has been amended to recite "determining, based on the calculated score, whether the request for change of address may involve fraud." Claims 27 and 28 have been amended to recite "determining, based on the calculated score, whether the account request may involve fraud." The Applicants respectfully submit that the objection with respect to those claims is thus overcome.

Claim Rejections under 35 U.S.C. §112

Rejections under Section 112, first paragraph

Claims 1-33 were rejected under 35 U.S.C. §112, first paragraph, as failing to comply with the enablement requirement. Reconsideration and allowance are respectfully requested at for the reasons discussed below.

The Examiner asserts that the claims subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains to make and/or use the invention. Specifically, the Examiner states:

> The claims are directed to a method of assessing the risk of fraud
> using demographic information, and calculating a score that is
> indicative of whether there may be fraud. In the specification, the
> applicant gives variables which are used, to measure the difference
> in demographic information between two addresses, however it is
> unclear from the specification how these variables and the weights
> that are given are obtained to use to determine the score.

Current Office Action, page 2-3. The Examiner then references equations presented in the specification.

The Applicants respectfully request that the Examiner discuss what elements of each rejected claim are not supported by the specification. The Examiner's rejection discusses various values that can be calculated and using those values in an equation. These values and equations are not required for all claims. For example, claim 1 recites, "receiving at least information relating to a first address relating to one of an account holder or an applicant; receiving information relating to a second address; measuring demographic differences between the first and second addresses; and calculating a score indicative of a level of risk of identity theft fraud." The manner by which the demographic differences are measured and the manner by which the score is calculated is not limited to the specific equations provided in the specification. A stated in the current application:

> One advantage to the present invention's use of address
> information is that an address is the one element that a criminal
> cannot manipulate. That is, when a criminal steals an identity, the

criminal may be able to obtain identity information relating to the
victim. However, the criminal cannot receive mail at the victim's
house. Consequently, the criminal needs to use an address where
he/she can receive mail (e.g., to obtain media or goods). As such,
the present invention compares addresses. The present invention
recognizes that there are demographic differences between
addresses. For instance, one address may have an upscale socio-
economic demographic as compared to the other address that has a
more downscale socio-economic demographic. By using street
address information as the basis for gathering, comparing and
analyzing demographic data, the present invention uses elements
that can be independently verified and analyzed to determine a risk
of identity theft.

Current Application Publication, para. [0029]. Accordingly, in its most basic sense, claim 1
compares demographics of two addresses, such as an upscale socio-economic demographic and a
downscale socio-economic demographic, and generates a score based on that comparison. The
comparison and associated score may be based on a set of equations, as discussed by the
Examiner, but also may be a more simple comparison. The Applicants respectfully submit that
one skilled in the art would know, after reading the present application, how to compare
demographic information of two addresses to determine the likelihood of fraud based on such
comparison.

In order to expedite prosecution of the present application, the Applicants will address the
Examiner's discussion of values and equations that may be used to calculate a score. The
Applicants again note, however, that these values and equations are merely illustrative of one
manner by which risk may be assessed and the claims and, generally, the exact values used are
situational and depend on the data set gathered regarding the first and second addresses.

As noted by the Examiner, the specification details exemplary methods of determining
DF_INCOME, DF_NETWR, and DF_HOMEON. As discussed at para. 0224 of the present
publication, a first variable is based on the change in the financial make-up of the two addresses
and is called "Value1". Paragraphs 233-272 discuss using the determined differences (income,
net worth, and homeownership) to calculate Value1. The determined differences are used in a
statistical regression and may be assigned a value of 1 or 0 based on the level of difference. For
example, if the difference is low or nominal, it may be assigned a value of 0 whereas if the
difference is high, it may be assigned a value of 1. While the specification details specific

exemplary methods of deriving values for the differences and for some variables, it is to be appreciated that, fundamentally, the method for assessing a risk of fraud comprises, in the most basic sense, determining demographic data relating to address information, and calculating a score indicative of a level of risk based on the demographic data. The exemplary methods for doing so described in the specification are illustrative only and are not intended to be limiting. One skilled in the art would appreciate the statistical methodology that may be used to assess such risk.

The Examiner noted that the equation given at para. 0286 of the present publication includes a constant value "A". The Examiner then states "the applicant never defines this constant, can it be chosen at random?" "A" is merely a constant to provide weight in the equation. The value of the constant may vary depending on the values of the variables in the equation. Manners of determining a value for "A" are within the skill of one skilled in the art of statistical modeling.

Next, the Examiner discusses the coefficients used in the equation given at para. 0286. The Examiner states:

> It is also unclear how the coefficients are exactly determined, it states a statistical regression analysis, but on what set of data? Do these coefficients remain the same with every calculation? If another variable is added into the equation, will all of the coefficients change, and how so? How is the data collected to come up with these coefficients? The specification states that more or less variables can be used (the claims specifically state at least one, which means only one variable can be used in this equation), therefore if more or less is used, then the entire equation will change and the specification does not describe how these coefficients are obtained for one of skill in the art to determine how to obtain them to obtain the score, which is used to assess the risk of fraud.

Current Office Action, page 3. As would be appreciated by one skilled in the art, the coefficients are merely weights assigned to the independent variables to, generally, rank the variables in their importance in evaluating risk. At paras. 0288 and 0289, specific values for "A" and the coefficients are given. As stated therein, specific values were determined using known statistical methods to analyze actual data from confirmed identity theft fraud cases. The specification

further states, "In this method, the coefficients were determined using ordinary least squares regression. However, other known statistical methods such as logistic regression, CHAID, CART, discriminant analysis, neural networks or the like may be used." Accordingly, regression techniques may be used on confirmed identity theft fraud cases to determine values for coefficients. Where more variables are input into the equation, coefficients for these variables and their relative weighting can again be determined using a regression analysis of confirmed identity theft fraud cases. The Applicants submit that this would be understood by someone skilled in the art.

The Applicants thus submit that claims 1-33 are allowable under 35 U.S.C. §112, first paragraph. Reconsideration and allowance are thus respectfully requested.

Rejections under Section 112, second paragraph

Claims 1-33 were rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

To expedite prosecution of the application, the Applicants have amended the claims to overcome most of the rejections under Section 112, second paragraph listed by the Examiner. However, the Applicants respectfully request reconsideration of the rejections of claims 15 and 22 as set forth in paragraphs 11 and 13 on page 15 of the Current Office Action.

In the rejection of claim 15, the Examiner states "the claim analyzes differences between demographic attributes to predict the risk of fraud, however it is unclear as to what kind of fraud, and how the address relate to fraud." The Applicants respectfully submit that the type of fraud need not be specified and, indeed, the risk for different types of fraud may be assessed using the claimed method. Further, the specification provides ample support for the myriad types of fraud that may be assessed. Similarly, the claim recites that the risk of fraud may assessed based on the demographic attributes of street address: "using demographic attributes of street addresses to predict the risk of fraud by analyzing differences between the demographic data of the street addresses; assessing the risk of fraud based on the demographic attributes". This recitation is sufficient to link the addresses to the risk of fraud.

Claims 22, as amended, recites "determining negative information relating to the street addresses and determining positive information relating to the street addresses and associating the negative and positive information with the determined demographic data to assess the risk of identity theft fraud." The specification details various suitable manners for obtaining negative and positive information relating to street addresses.

The Applicants thus submit that claims 1-33 are allowable under 35 U.S.C. §112, second paragraph. Reconsideration and allowance are thus respectfully requested.
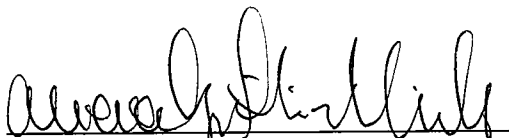
Conclusion

This application now stands in allowable form and reconsideration and allowance is respectfully requested.

This response is being submitted on or before September 2, 2008 with the required fee of $60 for a one-month extension of time making this a timely response. It is believed that no additional fees are due in connection with this filing. However, the Commissioner is authorized to charge any additional fees, including extension fees or other relief which may be required, or credit any overpayment and notify us of same, to Deposit Account No. 04-1420.

Respectfully submitted,

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